

**Supplemental Reporting Document
Table of Contents
August 2011 Investment Committee Meeting
(June 2011 Reporting Period)**

Activity Reports

- Alternative Investment Management (AIM) Program
- Real Estate Program
- Risk Managed Absolute Return Strategies (RMARS) Program
- Corporate Governance Program
- Inflation Linked Asset Class Program
- Disclosure of Placement Agent Fees



California Public Employees' Retirement System
Investment Office
P.O. Box 2749
Sacramento, CA 95812-2749
TTY: (916) 795-3240
(916) 795-3400 phone
www.calpers.ca.gov

Supplemental Item

August 15, 2011

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT:** Activity Reports
- II. PROGRAM:** Alternative Investment Management (AIM)
Real Estate (RE)
Risk Managed Absolute Return Strategies (RMARS)
Corporate Governance
Inflation Linked Asset Class Program (ILAC)
Disclosure of Placement Agent Fees

III. RECOMMENDATION: Information

IV. ANALYSIS:

Staff from AIM, RE, RMARS, Corporate Governance, and ILAC are required to report the status of investment proposals received by their respective program on a monthly basis. Staff from these areas have prepared activity reports for the month of June 2011.

V. STRATEGIC PLAN:

Goal VIII: Manage the risk and volatility of assets and liabilities to ensure sufficient funds are available, first, to pay benefits and second, to minimize and stabilize contributions.

VI. RESULTS/COSTS:

Attached are results containing the status of investment proposals received by AIM, RE, RMARS, Corporate Governance, and ILAC.

MATT FLYNN
Division Chief
Operations, Performance & Technology

Members of the Investment Committee
August 15, 2011
Page 2 of 2

JANINE GUILLOT
Chief Operating Investment Officer

JOSEPH A. DEAR
Chief Investment Officer



***** OPEN SESSION MATERIAL *****
AIM PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT DATE 6/1/2011 TO 6/30/2011

| ACTIVITY SUMMARIZED | ACTIVITY FOR REPORT PERIOD | 2008 | 2009 | 2010 | 2011 YTD | Since Program Inception |
|---|----------------------------|------|------|------|----------|-------------------------|
| <u>INVESTMENT ACTIVITY</u> | | | | | | |
| Investment Proposals Entered | 20 | 349 | 295 | 333 | 142 | 8389 |
| Declined/Referred/Failed to Materialize | 16 | 339 | 245 | 353 | 145 | 6849 |
| Deals in Screening | 50 | 349 | 295 | 333 | 142 | 5373 |
| Due Diligence Reviews | 8 | 31 | 12 | 12 | 13 | 827 |

Notes:

- Current YTD information is through the end of the report period.
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.



***** OPEN SESSION MATERIAL *****
GLOBAL REAL ESTATE UNIT PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD 6/1/2011 TO 6/30/2011

| ACTIVITY SUMMARIZED | ACTIVITY FOR REPORT PERIOD | 2007 | 2008 | 2009 | 2010 | 2011 YTD | Since Program Inception * |
|---|----------------------------|------|------|------|------|----------|---------------------------|
| <u>INVESTMENT ACTIVITY</u> | | | | | | | |
| Investment Proposals Entered | 17 | N/A | 138 | 23 | 136 | 77 | 374 |
| Declined/Referred/Failed to Materialize | 20 | N/A | 120 | 29 | 122 | 58 | 329 |
| Deals in Screening | 28 | N/A | 24 | 33 | 76 | 94 | 227 |
| Due Diligence Reviews | 2 | N/A | 3 | 0 | 0 | 2 | 5 |

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening of Due Diligence during that time period.

* As of January 2, 2008



******* OPEN SESSION MATERIAL *******
RISK MANAGED ABSOLUTE RETURNS (RMARS) PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD 06/1/2011 TO 06/30/2011

| ACTIVITY SUMMARIZED | ACTIVITY FOR REPORT PERIOD | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 YTD | Since Program Inception |
|--|-------------------------------|------|-------|------|-------|-------|---------|---------|---------|------|-------|-------------|----------------------------|
| <u>INVESTMENT ACTIVITY</u> | | | | | | | | | | | | | |
| Investment Proposals Entered | 5 | 88 | 170 | 181 | 59 | 59 | 69 | 90 | 118 | 66 | 20 | 46 | 966 |
| Declined/Referred/Failed to Materialize | 0 | 34 | 81 | 108 | 12 | 7 | 1 | 0 | 0 | 0 | 18 | 0 | 261 |
| Deals in Screening | 5 | 48 | 80 | 72 | 45 | 58 | 68 | 90 | 118 | 66 | 8 | 46 | 699 |
| Due Diligence Reviews | 5 | 48 | 80 | 72 | 45 | 58 | 68 | 90 | 118 | 66 | 8 | 46 | 699 |
| Allocations Approved by RMARS Board | 0 | 0 | 25 | 8 | 6 | 18 | 52 | 66 | 31 | 0 | 11 | 0 | 217 |
| New ARS Funds approved by the RMARS Board | 0 | 0 | 12 | 1 | 4 | 7 | 9 | 8 | 3 | 0 | 2 | 1 | 47 |
| <u>MANAGER AMOUNTS (\$ IN MILLIONS)</u> | | | | | | | | | | | | | |
| Funded | \$0 | \$0 | \$485 | \$95 | \$149 | \$783 | \$1,809 | \$2,499 | \$1,069 | \$0 | \$510 | \$100 | \$7,499 |

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening of Due diligence during that time period.

**** OPEN SESSION MATERIAL ****
CORPORATE GOVERNANCE PROGRAM
SUMMARY MONTHLY REPORT: PROPOSAL IN PROCESS
REPORT PERIOD 6/1/2011 TO 6/30/2011

| ACTIVITY SUMMARIZED | ACTIVITY FOR REPORT PERIOD | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 YTD | Since Program Inception * |
|---|-------------------------------|------|------|------|------|------|-------------|------------------------------|
| <u>INVESTMENT ACTIVITY</u> | | | | | | | | |
| Investment Proposals Entered | 0 | N/A | N/A | 7 | 1 | 1 | 0 | 9 |
| Declined/Referred/Failed to Materialize | 0 | N/A | N/A | 6 | 13 | 11 | 0 | 30 |
| Deals in Screening | N/A | N/A | N/A | N/A | N/A | 0 | 0 | 0 |
| Due Diligence Reviews | 0 | N/A | N/A | 13 | 14 | 12 | 0 | 39 |

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, deals in Screening and Due Diligence represent deals which entered Screening of Due diligence during that time period.

* as of April 1, 2008



**** OPEN SESSION MATERIAL ****
ILAC PROGRAM
SUMMARY MONTHLY REPORT: PROPOSALS IN PROCESS
REPORT PERIOD 6/1/2011 TO 6/30/2011

| ACTIVITY SUMMARIZED | ACTIVITY FOR REPORT PERIOD | 2007 | 2008 | 2009 | 2010 | 2011 YTD | Since Program Inception |
|--|----------------------------|------|------|------|------|----------|-------------------------|
| <u>INVESTMENT ACTIVITY - INFRASTRUCTURE</u> | | | | | | | |
| Investment Proposals Entered | 4 | 12 | 57 | 52 | 105 | 48 | 274 |
| Declined/Referred/Failed to Materialize | 13 | N/A | 11 | 58 | 113 | 60 | 242 |
| Deals in Screening | 31 | 12 | 57 | 52 | 105 | 48 | 274 |
| Due Diligence Reviews | 1 | N/A | 0 | 4 | 2 | 1 | 7 |
| <u>INVESTMENT ACTIVITY - FORESTLAND</u> | | | | | | | |
| Investment Proposals Entered | 2 | N/A | 9 | 5 | 7 | 5 | 26 |
| Declined/Referred/Failed to Materialize | 2 | N/A | 7 | 6 | 6 | 2 | 21 |
| Deals in Screening | 3 | N/A | 9 | 5 | 7 | 5 | 26 |
| Due Diligence Reviews | 0 | N/A | 1 | 0 | 0 | 0 | 1 |

Notes:

- Current YTD information is through the end of the report period
- Deals in Screening and Due Diligence reviews for the activity report period represent deals remaining in Screening and Due Diligence at the end of the report period. For all other time periods, Deals in Screening and Due Diligence represent deals which entered Screening or Due Diligence during that time period.
- New Infrastructure and Forestland proposals are automatically entered into the Deals in Screening category.



***** OPEN SESSION MATERIAL *****
DISCLOSURE OF PLACEMENT AGENT FEES REPORT FOR
PERIOD ENDING: June 30, 2011

| ASSET CLASS | FIRM NAME | FUND | PLACEMENT AGENT FIRM | ESTIMATED PLACEMENT AGENT COMPENSATION | TRANSACTION TYPE |
|-------------|---|----------------------------------|-------------------------------------|--|----------------------------|
| AIM | Candover Partners Limited | Candover 2005 Fund | Benedetto, Gartland & Company, Inc. | - | Amendment ^{1,3,5} |
| AIM | Candover Partners Limited Gleacher Mezzanine now Arrowhead | Candover 2008 Fund | Benedetto, Gartland & Company, Inc. | - | Amendment ^{1,4,5} |
| AIM | Mezzanine | Gleacher Mezzanine Fund II, L.P. | Probitas Funds Group, LLC | - | Amendment ^{1,2} |

Notes:

1/ The amendment does not benefit the placement agent.

2/ An affiliate of the placement agent, Probitas Portfolio Management, LLC, has a contract to provide advisory services to CalPERS, 2006-3896

3/ Fees paid on initial commitment to fund; approximately \$871,000

4/ Fees paid on initial commitment to fund; approximately \$221,000

5/ Placement agent currently not registered with the California Secretary of State; not fund raising.